

## Message Text

CONFIDENTIAL

PAGE 01 STATE 182328

64

ORIGIN COME-00

INFO OCT-01 EUR-25 ISO-00 EB-11 L-03 CIAE-00 INR-11

NSAE-00 RSC-01 /052 R

66603

DRAFTED BY: COM:A.J. PLANAGAN

APPROVED BY: EB/OCA/REP:LAKLIEFORTH

R.F. STECHSCHULTE-TDAD/BEWT

S.R. ABRASHAMSON-OEWTD/BEWT

J. YORK-BEWT/COMM

P.J. NICHOLS-STATE/EUR/EE

S. HAAS-STATE/EB/EWT

----- 130215

R 201841Z AUG 74

FM SECSTATE WASHDC

TO AMEMBASSY BUCHAREST

C O N F I D E N T I A L STATE 182328

E.O. 11652: GDS

TAGS: ETRD, BGEN, RO

SUBJECT: CUMMINS DIESEL ENGINE PROJECT

REF: STATE 177902

1. UPON RETURN FROM BRAZILIAN NEGOTIATIONS, CUMMINS EXECUTIVE VP HACKETT CONTACTED BEWT TO EXPRESS HIS AMAZEMENT REGARDING ROMANIAN POSITION CONVEYED REFTEL. HACKETT STATED THAT HE PER

SONALLY FORMALLY RELAYED OFFICIAL CUMMINS POSITION TO STOICA DURING THEIR JUNE 25 MEETING IN CHICAGO.; HE VIEWS AVRAM'S STATEMENTS TO AMBASSADOR AS ANOTHER GOR STALLING TACTIC, CONSISTENT WITH ROMANIA'S PAST RECORD OF QUOTE BROKEN PROMISES UNQUOTE. AS A RESULT, HACKETT SAID THAT CUMMINS NOW REGARDS THE ROMANIAN DIESEL ENGINE JOINT VENTURE AS A QUOTE DEAD ISSUE UNQUOTE AND THAT HIS COMPANY HAS QUOTE NO MORE OFFERS TO MAKE UNQUOTE. HE ALSO CONFIRMED THAT COMPANY WILL MOVE AHEAD WITH EXPANSION PLANS FOR ITS U.K. FACILITY. IN RESPONSE TO OUR RAISING POSSIBILITY  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 182328

OF A FINAL CUMMINS VISIT TO BUCHAREST WITH AIM OF HIGHEST LEVEL

GOR MEETINGS, HACKETT'S RESPONSE, ONLY HALF IN JEST, WAS THAT IT WOULD TAKE A QUOTE LETTER FROM PRES. CEAUCESCU UNQUOTE STATING ROMANIA'S INTENT TO ACCEPT CUMMINS' APRIL AND JUNE OFFERS BEFORE COMPANY'S MANAGEMENT MIGHT REPEAT MIGHT CONSIDER TIME AND EXPENSE OF ANOTHER TRIP.

2. CUMMINS HAS REPEATEDLY EXPRESSED THEIR CONCERN OVER ROMANIAN DELAYS TO US DURING THE PAST 15 MONTHS. SENIOR GOR OFFICIALS HAD ORIGINALLY TOLD THE COMPANY THAT AN AGREEMENT WOULD BE CONCLUDED BY THE END OF 1973, AND THEN POSTPONED A DECISION UNTIL APRIL 1974. IT WAS ON THAT PROMISE OF A FINAL DECISION BY MID-1974 THAT CUMMINS INVITED THE GOR DELEGATION TO COLUMBUS LAST MARCH. APPARENTLY, CUMMINS FELT THAT THE POSSIBILITY OF A ROMANIAN JOINT VENTURE WAS SUFFICIENTLY ATTRACTIVE TO MAKE THE DELAYS TOLERABLE. IT NOW APPEARS THIS MAY NO LONGER BE THE CASE.

3. WE FEEL THAT NEXT MOVE UP TO GOR IN VIEW OF COMPANY'S STATED POSITION THAT IT VIEWS PROJECT AS DEAD ISSUE PENDING SOME WRITTEN EXPRESSION OF APPROVAL FOR THE JOINT VENTURE IN ITS CURRENT FORM FROM THE HIGHEST GOR LEVELS.

AMBASSADOR MAY WISH REVIEW POSSIBILITY OF SUCH LETTER WITH PUNGAN OR AVRAM IN HOPES OF SALVAGING PROJECT. AMBASSADOR MAY ALSO WISH REEMPHASIZE THAT THE U.S. GOVERNMENT WOULD HOPE TO WORK WITH GOR OFFICIALS ON OTHER JOINT VENTURE PROJECTS THAT WOULD BE TO THE MUTUAL ADVANTAGE OF THE ROMANIAN AND U.S. PARTNERS. HOWEVER, GOR SHOULD REALIZE THAT DECISIONS TO PARTICIPATE IN COOPERATIVE VENTURES REST WITH THE U.S. COMPANY ALONE. THEREFORE, IF ROMANIA IS INTERESTED IN ATTRACTING PRIVATE U.S. CAPITAL, IT WILL HAVE TO PROVIDE TERMS AND OPPORTUNITIES AT LEAST AS ATTRACTIVE AS THOSE AVAILABLE IN OTHER COUNTRIES, AND AVOID UNNECESSARY DELAYS IN DECISION MAKING.  
KISSINGER

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NEGOTIATIONS, DIESEL ENGINES, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE182328  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** COM:A.J. PLANAGAN  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740229-1085  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740833/aaaabbqq.tel  
**Line Count:** 94  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN COME  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 177902  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 JUN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 JUN 2002 by boyleja>; APPROVED <03 MAR 2003 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CUMMINS DIESEL ENGINE PROJECT  
**TAGS:** ETRD, BGEN, RO  
**To:** BUCHAREST  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005